

**DEPARTMENT OF EDUCATION
Montpelier, Vermont**

TEAM: Finance

ITEM: Will the State Board of Education adopt the FY 2011 Department of Education Budget proposal as submitted?

<p>RECOMMENDED ACTION: The State Board Education adopt the FY 2011 Department of Education Budget proposal as submitted.</p>

STATUTORY AUTHORITY: 16 VSA § 164(4) - Biennially or as required by the governor cause to be prepared a budget for all money to be expended by the department of education.

BACKGROUND INFORMATION:

This is the annual department of education budget submission.

COST IMPLICATIONS:

The FY 2011 department budget is displayed in the enclosed spreadsheet.

Our general fund budget is 1.67% less than FY 2010. Considering staff reductions over the past 18 months, this amount will support existing staff and programs.

Federal programs have generally been level funded until final amounts are provided to us once Congress appropriates funds. American Recovery and Reinvestment Act grant funds are shown in a separate column. FY 2011 is the last year for this source.

The Education Fund is up about 1.8% however this amount is based on projected school district spending. We have heard several reports that school boards are making significant efforts to level fund or reduce budgets. If this holds true for all districts the total expended in FY 2011 will be less.

STAFF AVAILABLE: Armando Vilaseca, Commissioner; Bill Talbott, CFO

FILE: GTSM 2011 BR									
	Funding Source								
Whole \$ Category	General Fund	Education Fund	ARRA Fund	Federal Funds	Special Licensing	Medicaid & Other Special Fund	Tobacco	Grand Total	
FINANCE & ADMINISTRATION									
State Board & Commissioner									
Pers. Svcs	377,813	-	-	161,558	-	-	-	539,371	
Oper. Exp's	6,430	-	-	129,663	-	-	-	136,093	
Grants	0	-	-	-	-	-	-	-	
Total	384,243	-	-	291,221	-	-	-	675,464	
General Counsel									
Pers. Svcs	319,131	-	-	238,820	177,653	-	-	735,604	
Oper. Exp's	8,087	-	-	33,954	-	-	-	42,041	
Grants	0	-	-	-	-	-	-	-	
Total	327,218	-	-	272,774	177,653	-	-	777,645	
Special Education Finance									
Pers. Svcs	37,199	-	-	91,944	-	537,282	-	666,426	
Oper. Exp's	948	-	-	9,486	-	59,449	-	69,883	
Grants	0	-	-	-	-	11,384,730	-	11,384,730	
Total	38,147	-	-	101,430	-	11,981,461	-	12,121,039	
Deputy for Administration									
Pers. Svcs	1,161,035	-	-	367,781	-	379,046	-	1,907,862	
Oper. Exp's	391,517	427,526	-	27,394	-	342,272	-	1,188,709	
Grants	0	-	-	-	-	-	-	-	
Total	1,552,552	427,526	-	395,175	-	721,318	-	3,096,571	
Information Technology									
Pers. Svcs	749,578	-	-	724,469	-	343,144	-	1,817,191	
Oper. Exp's	51,398	-	-	227,217	-	-	-	278,615	
Grants	0	-	-	-	-	-	-	-	
Total	800,976	-	-	951,686	-	343,144	-	2,095,806	
TOTAL FINANCE & ADMINISTRATION									
Pers. Svcs	2,644,756	-	-	1,584,573	177,653	1,259,472	-	5,666,454	
Oper. Exp's	458,380	427,526	-	427,714	-	401,721	-	1,715,341	
Grants	0	-	-	-	-	11,384,730	-	11,384,730	
Total	3,103,136	427,526	-	2,012,287	177,653	13,045,923	-	18,766,525	
	0	-	-	-	-	-	-	-	
EDUCATION PROGRAMS									
Education Services Admin									
Pers. Svcs	194,327	-	-	-	-	-	-	194,327	
Oper. Exp's	39,863	-	-	-	-	-	-	39,863	
Grants	0	-	-	-	-	-	-	-	
Total	234,190	-	-	-	-	-	-	234,190	
Lifelong Learning									
Pers. Svcs	447,639	-	-	915,319	-	47,830	-	1,410,788	
Oper. Exp's	66,366	-	-	209,801	-	11,003	-	287,170	
Grants	405,138	1,131,751	-	4,352,649	-	-	-	5,889,538	
Total	919,143	1,131,751	-	5,477,769	-	58,833	-	7,587,496	
Ind & Fed Programs									
Pers. Svcs	355,158	-	-	932,711	-	13,457	-	1,301,326	
Oper. Exp's	48,460	-	-	174,607	-	5,685	-	228,752	
Grants	104,860	-	16,682,175	55,917,147	-	708,000	-	73,412,182	
Total	508,478	-	16,682,175	57,024,465	-	727,142	-	74,942,260	
Student Support/Safe & Healthy									
Pers. Svcs	390,171	-	-	1,945,949	-	82,759	-	2,418,879	
Oper. Exp's	25,099	-	-	463,821	-	34,470	-	523,390	
Grants	1,071,526	-	20,782,000	51,946,495	-	-	-	73,800,021	
Total	1,486,796	-	20,782,000	54,356,265	-	117,229	-	76,742,290	
Educator Quality									

FILE: GTSM 2011 BR								
	Funding Source							
	Whole \$ Category	General Fund	Education Fund	ARRA Fund	Federal Funds	Special Licensing	Medicaid & Other Special Fund	Grand Total
	Pers. Svcs	0	-	-	256,134	918,475	-	1,174,609
	Oper. Exp's	16,182	-	-	19,062	149,087	-	184,331
	Grants	0	-	-	-	90,000	-	90,000
	Total	16,182	-	-	275,196	1,157,562	-	1,448,940
Standards & Assessment								
	Pers. Svcs	1,351,122	-	-	4,422,337	-	20,000	5,793,459
	Oper. Exp's	78,007	-	-	251,543	-	5,589	335,139
	Grants	188,340	-	9,254,994	4,025,000	-	-	13,468,334
	Total	1,617,469	-	9,254,994	8,698,880	-	25,589	19,596,932
TOTAL EDUCATION PROGRAMS								
	Pers. Svcs	2,738,417	0	0	8,472,450	918,475	164,047	12,293,388
	Oper. Exp's	273,977	0	0	1,118,834	149,087	56,747	1,598,645
	Grants	1,769,864	1,131,751	46,719,169	116,241,291	90,000	708,000	166,660,075
	TOTAL	4,782,258	1,131,751	46,719,169	125,832,575	1,157,562	928,794	180,552,108
		-	-	-	-	-	-	-

FILE: GTSM 2011 BR									
		Funding Source							
	Whole \$ Category	General Fund	Education Fund	ARRA Fund	Federal Funds	Special Licensing	Medicaid & Other Special Fund	Tobacco	Grand Total
Spec Ed Form									
Grants		-	142,457,975	-	-	-	230,000	-	142,687,975
Total		-	142,457,975	-	-	-	230,000	-	142,687,975
State-Placed Students									
Grants		-	16,402,836	-	-	-	-	-	16,402,836
Total		-	16,402,836	-	-	-	-	-	16,402,836
Adult Education & Literacy									
Grants		787,995	5,800,000	-	875,661	-	-	-	7,463,656
Total		787,995	5,800,000	-	875,661	-	-	-	7,463,656
Education Grant									
Grants		-	1,120,207,798	38,575,036	-	-	-	-	1,158,782,834
Total		-	1,120,207,798	38,575,036	-	-	-	-	1,158,782,834
Technical Education									
Grants		-	12,784,382	-	-	-	-	-	12,784,382
Total		-	12,784,382	-	-	-	-	-	12,784,382
Transportation									
Grants		-	15,782,031	-	-	-	-	-	15,782,031
Total		-	15,782,031	-	-	-	-	-	15,782,031
Small School Grant									
Grants		-	7,000,000	-	-	-	-	-	7,000,000
Total		-	7,000,000	-	-	-	-	-	7,000,000
Debt Service Aid									
Grants		-	180,000	-	-	-	-	-	180,000
Total		-	180,000	-	-	-	-	-	180,000
EEE									
Grants		-	5,679,216	-	-	-	-	-	5,679,216
Total		-	5,679,216	-	-	-	-	-	5,679,216
Act 117									
Pers. Svcs		-	-	-	-	-	1,059,819	-	1,059,819
Oper. Exp's		-	-	-	-	-	131,887	-	131,887
Grants		-	-	-	-	-	91,000	-	91,000
Total		-	-	-	-	-	1,282,706	-	1,282,706
Tobacco Litigation									
Pers. Svcs		-	-	-	-	-	-	129,931	129,931
Oper. Exp's		-	-	-	-	-	-	46,222	46,222
Grants		-	-	-	-	-	-	812,764	812,764
Total		-	-	-	-	-	-	988,917	988,917
GRAND TOTAL									
Pers. Svcs		5,383,173	-	-	10,057,022	1,096,127	2,483,338	129,931	19,149,592
Oper. Exp's		732,357	427,526	-	1,546,548	149,087	590,355	46,222	3,492,095
Grants		2,557,859	1,327,425,989	85,294,205	117,116,952	90,000	12,413,730	812,764	1,545,711,499
Total		8,673,389	1,327,853,515	85,294,205	128,720,522	1,335,214	15,487,423	988,917	1,568,353,186

FY 2008 to FY 2011 Budget Proposal									
Vermont State Board/Department of Education									
	FY08	FY09	FY10	FY11 Proposal					
General Fund									
Personal Services	6,540,934	5,629,284	5,225,626	5,383,173					
Operating Expenses	1,214,675	882,289	963,751	732,357					
Grants	6,131,059	5,721,922	4,430,304	2,557,859	Note 1				
Subtotal	13,886,668	12,233,495	10,619,681	8,673,389	Note 2				
Federal Fund									
Personal Services	9,021,308	9,480,819	9,914,915	10,057,022					
Operating Expenses	1,786,614	1,792,522	1,774,362	1,546,548					
Grants	106,104,113	107,689,213	110,094,227	117,116,952					
Subtotal	116,912,035	118,962,554	121,783,504	128,720,522					
American Recovery & Reinvestment Act									
Grants				85,294,205	Note 3				
Medicaid & Special Funds									
Personal Services	2,978,773	3,104,633	3,262,391	3,579,466					
Operating Expenses	754,145	690,170	843,328	739,442					
Grants	15,836,880	12,088,397	13,250,010	12,503,730					
Subtotal	19,569,798	15,883,200	17,355,729	16,822,638					
Tobacco Fund									
Personal Services	145,112	142,062	131,153	129,931					
Operating Expenses	18,119	18,114	57,584	46,222					
Grants	832,437	828,741	800,180	812,764					
Subtotal	995,668	988,917	988,917	988,917					
Transportation Fund									
Personal Services									
Operating Expenses									
Grants	127,483	127,483			Note 4				
Subtotal	127,483	127,483							
Subtotal Non-education fund	151,491,651	148,195,649							
Education Fund									
Personal Services									
Operating Expenses				427,526					
Grants	1,250,673,314	1,315,410,582	1,304,222,835	1,327,425,989	Note 5				
Subtotal				1,327,853,515					
All Funds									
Personal Services	18,686,126	18,356,798	18,534,085	19,149,592					
Operating Expenses	3,773,553	3,383,095	3,639,025	3,492,095					
Grants	1,379,705,286	1,441,866,338	1,432,797,556	1,545,711,499					
Total	1,402,164,965	1,463,606,231	1,454,970,666	1,568,353,186					

Note 1. \$1,800,000 in general fund for adult education to be transferred to education fund pending legislative action.

Note 2. Final target amount from the Administration is a 1.67% reduction from FY 2010

Note 3. Federal ARRA funds in support of IDEA and Title I are not included pending year end FY10 expenditures

Note 4. Transportation Fund support of Driver Education moved to Education Fund

Note 5. FY 10 Ed Fund is reduced due to substitution \$38.6 million of federal ARRA funds